

SCHEDULE 1B --

NON-ARM'S-LENGTH TRANSPORTATION SYSTEM/SEGMENT DEPRECIATION AND CAPITAL EXPENDITURE SUMMARY

PAYOR IDENTIFICATION BLOCK	
Payor Name and Code:	
Lease Number:	
Agreement Number:	
Facility ID No:	
Segment ID No:	
Period:	to
(mm/dd/ccyy)	

<div>1</div>	<div>2</div>	<div>3</div>	<div>4</div>	<div>5</div>	<div>6</div>	<div>7</div>
Expenditure Item	Initial Capital Investment and Date Placed in Service	Salvage Value	Depreciable Life/Years of Depreciation Taken to Date	Undepreciated Capital Investment at Beginning of Year	Depreciation	Undepreciated Capital Investment at End-of-Year
	\$	\$		\$	\$	\$
Totals				\$	\$	8
Allocated to Segment (from line 22, Schedule 1A)				\$	\$	9
Segment Depreciation and Capital Expenditure (Line 8 x line 9) Enter in column g and e, Schedule 1				\$	\$	10

THIS INFORMATION SHOULD BE CONSIDERED (Please check one) ☐ PROPRIETARY ☐ NONPROPRIETARY

INSTRUCTIONS FOR COMPLETING FORM MMS-4295, SCHEDULE 1B

Schedule 1B is used to summarize actual or estimated facility/segment depreciation and undepreciated capital investment for computing return on investment. A separate Schedule 1B must be completed for each segment in the transportation facility. The costs of all transportation facility segments are accumulated on Schedule 1 to determine the total depreciation and undepreciated capital investment for the facility.

Complete the payor identification block (see Schedule 1A instructions).

For each facility/segment capital expenditure item complete one line as follows:

1. Identify the capital expenditure item.
2. Enter the initial capital expenditure amount and the date the expenditure was placed in service.
3. Enter a reasonable salvage value.
4. Enter the depreciable life of the expenditure and the number of years of depreciation taken to date.
5. Enter the undepreciated capital investment at beginning-of-year. In computing this value, salvage must be deducted from the initial capital investment.
6. Enter the amount of depreciation to be taken for the year. In computing depreciation, the payor may elect to use either a straight-line depreciation method or a unit of production method based on the life of equipment or the life of the reserves which the transportation facility/segment services. Once an election is made, the payor may not alternate methods without MMS approval. Equipment shall not be depreciated below a reasonable salvage value.
7. Enter the undepreciated capital investment at end-of-year. This is computed by subtracting depreciation from the beginning-of-year undepreciated capital investment. This amount will be used as the next year's beginning-of-year undepreciated capital investment.
8. Total columns 5 and 6 and enter on Schedule 1, Part A, columns e and g, or Part B, columns e and g, accordingly.
9. Enter the "Allocated to Segment" amount from line 22, Schedule 1A, on line 9, columns 5 and 6.
10. Multiply line 8 by line 9 for columns 5 and 6 and enter on line 10 and on Schedule 1, columns g and e, Parts A and B as appropriate.

Indicate by checking the appropriate box whether the information should be considered proprietary or nonproprietary.